

Senate Bill No. 721

Passed the Senate August 29, 2012

Secretary of the Senate

Passed the Assembly August 23, 2012

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2012, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 13 (commencing with Section 67050) to Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 721, Lowenthal. California postsecondary education: state goals.

Existing law establishes the University of California, under the administration of the Regents of the University of California, the California State University, under the administration of the Trustees of the California State University, and the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as the 3 segments of public postsecondary education in this state.

Existing law establishes a higher education accountability program under which the University of California, the California State University, and the California Community Colleges are required to prepare a list of reports on a regular basis and present those reports to the Legislature and to state agencies.

This bill would state the intent of the Legislature that budget and policy decisions regarding postsecondary education generally adhere to 3 specified goals. The bill would also state the intent of the Legislature to identify and define appropriate metrics in order to monitor progress toward the achievement of those 3 goals and establish interim targets for those metrics to be achieved by 2025. The bill would require the Legislative Analyst's Office to convene a working group to develop those metrics, and any recommended interim targets for those metrics, as specified. The bill would require the Legislative Analyst's Office, in consultation with the Department of Finance, to submit recommended metrics to specified persons and entities on or before January 31, 2013. The bill would state the intent of the Legislature to formally adopt statewide metrics following a review of those recommended metrics. Commencing September 30, 2013, the bill would require the Legislative Analyst's Office to annually release a statewide performance report, as specified, using each of the statewide

metrics adopted by the Legislature. Commencing January 1, 2014, the bill would require the Legislative Analyst’s Office to annually provide its own assessment of progress toward the achievement of those 3 goals, as specified, with recommendations for legislative action, as appropriate. The bill also would require the segments of postsecondary education, as defined, to have the opportunity to annually provide their own assessments. The bill would also state additional legislative intent and make specified findings and declarations regarding state goals for postsecondary education.

The people of the State of California do enact as follows:

SECTION 1. Chapter 13 (commencing with Section 67050) is added to Part 40 of Division 5 of Title 3 of the Education Code, to read:

CHAPTER 13. STATE GOALS FOR CALIFORNIA’S POSTSECONDARY
EDUCATION SYSTEM

67050. The Legislature finds and declares all of the following:

(a) Since the enactment of the Master Plan for Higher Education in 1960, California’s system of postsecondary education has provided access and high-quality educational opportunities that have fueled California’s economic growth and promoted social mobility.

(b) In today’s global information economy, California’s national and international success as an educational and economic leader will require strategic investments in, and improved management of, state educational resources.

(c) Several factors, including changing demographics, rising costs, increased competition for scarce state funding, and employer concerns about graduates’ skills, present new challenges to higher education and state policymakers in effectively meeting the postsecondary education needs of Californians.

(d) Although the public segments of higher education have each undertaken efforts to improve reporting and transparency, these efforts do not combine to indicate whether the postsecondary system as a whole is on track to meet the state’s needs.

(e) The absence of a common vision and goals for California's postsecondary education system hinders the state's ability to effectively make critical fiscal and policy decisions.

(f) Policy and educational leaders should collectively hold themselves accountable for meeting the state's civic and workforce needs, for ensuring the efficient and responsible management of public resources, and for ensuring that California residents have the opportunity to successfully pursue and achieve their postsecondary educational goals.

67051. In order to promote the state's competitive economic position and quality of civic life, it is necessary to increase the level of educational attainment of California's adult population to meet the state's civic and workforce needs. To achieve that objective, it is the intent of the Legislature that budget and policy decisions regarding postsecondary education generally adhere to all of the following goals:

(a) Improve student access and success, which shall include, but not be limited to, all of the following goals: greater participation by demographic groups that have historically participated at lower rates, greater completion rates by all students, and improved outcomes for graduates.

(b) Better align degrees and credentials with the state's economic, workforce, and civic needs.

(c) Ensure the effective and efficient use of resources in order to increase high-quality postsecondary educational outcomes and maintain affordability.

67052. (a) The Legislature intends to identify and define appropriate metrics in order to monitor progress toward the achievement of the goals specified in Section 67051. The metrics should take into account the distinct missions of the different segments of postsecondary education. The Legislature further intends to establish interim targets for those metrics to be achieved by 2025.

(b) (1) The metrics and any recommended interim targets for those metrics referenced in subdivision (a) shall be developed with the assistance of a working group that shall be convened by the Legislative Analyst's Office. The Legislative Analyst's Office shall assemble the working group by selecting participants as follows:

(A) (i) One representative from each of the postsecondary education segments, as defined in Section 67055, and a representative of the State Department of Education.

(ii) The representative of the independent institutions of higher education shall be from the official organization representing the largest number of independent institutions of higher education in the state. The representative of the private postsecondary educational institutions shall be the Chief of the Bureau for Private Postsecondary Education, or the chief's designee.

(B) One representative of the Department of Finance.

(C) At least one member, but no more than three members, with expertise in similar state accountability efforts, who is not a regular employee of a postsecondary education segment.

(D) A representative of the Legislative Analyst's Office, who shall serve as the chairperson of the working group.

(2) The Legislative Analyst's Office may request technical input from any agency that maintains data that would be helpful in developing the metrics and assessing progress toward achieving the goals specified in Section 67051.

(3) The working group established pursuant to paragraph (1) shall develop a set of at least 6, and no more than 12, metrics that can be derived from publicly available data sources for purposes of periodically assessing the state's progress toward meeting each of the goals specified in Section 67051. The metrics shall be disaggregated and reported by gender, race or ethnicity, income, age group, and full-time or part-time enrollment status, where appropriate and applicable.

(4) The Legislative Analyst's Office, in consultation with the Department of Finance, shall submit recommended metrics developed pursuant to paragraph (1) to the appropriate policy committees of the Legislature, the Joint Legislative Budget Committee, and the Governor on or before January 31, 2013.

(5) It is the intent of the Legislature to formally adopt statewide metrics following a review of the recommendations submitted by the Legislative Analyst's Office pursuant to paragraph (4) and to use these metrics to monitor progress toward achieving the goals specified in Section 67051.

67053. It is the intent of the Legislature to promote progress on the statewide educational and economic policy goals specified in Section 67051 through budget and policy decisions regarding

higher education. It is the intent of the Legislature that the state level reporting system established pursuant to Section 67054 ensures the effective and efficient use of state resources available to postsecondary education.

67054. (a) Commencing September 30, 2013, the Legislative Analyst's Office shall annually release a statewide performance report using each of the metrics adopted by the Legislature pursuant to paragraph (5) of subdivision (b) of Section 67052. The report shall benchmark each of the metrics against the interim target established pursuant to subdivision (a) of Section 67052 and against an appropriate contextual range of other states' performance. This report shall be available publicly for use by the segments of postsecondary education, the Governor, the Department of Finance, the Legislature, and other stakeholder groups to make their own assessments about the performance of the postsecondary education system.

(b) Commencing January 1, 2014, the Legislative Analyst's Office shall annually provide its own assessment of progress toward the achievement of the goals specified in Section 67051, with recommendations for legislative action, as appropriate. Specifically, the Legislative Analyst's Office's assessment shall do all of the following:

(1) Assess the level of progress toward achieving the goals specified in Section 67051 and outcomes achieved.

(2) Identify significant factors that may explain the level of progress and outcomes specified in paragraph (1).

(3) Identify postsecondary education policy and funding options suggested by the metrics developed pursuant to subdivision (b) of Section 67052 for consideration by the Governor and the Legislature.

(c) The segments of postsecondary education shall have the opportunity to annually provide their own assessments of progress toward achieving the goals specified in Section 67051.

67055. For the purposes of this chapter, "segments of postsecondary education" means the California Community Colleges, the California State University, the University of California, independent institutions of higher education, as defined in Section 66010, and private postsecondary educational institutions, as defined in Section 94858.

Approved _____, 2012

Governor